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DRAFT DECISION

United Nations Capital Development Fund

The Governing Council,

Endorsing the call by the Second United Nations Conference on the Least Developed Countries for a 20 per cent a year increase in the overall funding of the United Nations Capital Development Fund during the 1990s and bearing in mind Governing Council decision 90/34 of 23 June 1990 in which the Council identified, inter alia, poverty eradication and grass-roots participation in development as a priority area for the United Nations Development Programme during the fifth programming cycle,

1. Takes note of the Administrator's biennial report on the United Nations Capital Development Fund (DP/1991/43);

2. Invites the United Nations Capital Development Fund to continue to serve first and foremost the least developed countries;

3. Approves continued implementation of the partial funding formula, which allows for higher levels of programmable resources;

4. Approves continuation of the United Nations Capital Development Fund's loan facility to be used selectively according to the specific circumstances of the individual country or project concerned;

5. Urges the Administrator, while implementing the reorganization of the senior management structure of the United Nations Development Programme, to maintain the identity, specificity and integrity of the United Nations Capital Development Fund, in order to strengthen its capacity to deliver the desired level and quality of assistance to lower income groups in recipient countries;

6. Expresses its appreciation, in the twenty-fifth anniversary year, of the United Nations Capital Development Fund, to Governments for the contributions made to the Fund to date and renews its appeal for continued growth in resources.